Supreme Court of the United States

OCTOBER TERM, 1943.

No.

GEOPHYSICAL DEVELOPMENT CORPORATION, SHELLEY KRASNOW AND LEON F. CURTISS,
Petitioners,

v.

CONWAY P. COE, COMMISSIONER OF PATENTS,
Respondent.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

I.

THE OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA.

The opinion of the United States Court of Appeals for the District of Columbia has not yet been reported. It was delivered June 7, 1943, and will be found on pages 40-42 of the Record. The docket number of this case in the United States Court of Appeals for the District of Columbia is 8209.

II.

JURISDICTION.

1. This Honorable Court has jurisdiction to grant the writ of certiorari here prayed for, by virtue of the provisions of section 240 (a) of the Judicial Code, as amended [28 U. S. C. Sec. 348 (a)], as follows:

> "In any case, civil or criminal, in a circuit court of appeals, or in the United States Court of Appeals for the District of Columbia, it shall be competent for the Supreme Court of the United States, upon the petition of any party thereto, whether Government or other litigant, to require by certiorari, either before or after a judgment or decree by such lower court, that the cause be certified to the Supreme Court for determination by it with the same power and authority, and with like effect, as if the cause had been brought there by unrestricted appeal."

2. This is a civil case in the United States Court of Appeals for the District of Columbia.

3. The following case is believed to sustain the jurisdiction of this Court: *Exhibit Supply Co.* v. *Ace Patents Corporation,* 315 U. S. 126.

III.

STATEMENT OF THE CASE.

A full statement of the case has been given under heading "A" of the Petition for Writ of Certiorari filed herewith and, in the interest of brevity, is not repeated here.

IV.

SPECIFICATION OF ERRORS.

The United States Court of Appeals for the District of Columbia erred:

1. In holding that it was no concern of petitioners, parties to an interference, whether Bender, another party to

the interference, who had been made such by reason of the pendency of his reissue application, had forfeited his right to a reissue.

2. In holding that Bender's good faith in applying for reissue of his patent is secondary to the determination of priority, notwithstanding the statutory requirement that application for reissue must be supported by oath that the defect or insufficiency of the patent arose from "inadvertence, accident or mistake without any fraudulent or deceptive intention."

3. In holding that whether Bender had forfeited his right to a reissue is a question the Patent Office may properly deal with "in its own good time," notwithstanding respondent, as Commissioner of Patents, had held the question of forfeiture was properly raised by petitioners on motion to dissolve; thus in effect holding that an interference may be declared with a reservation of the question of patentability to one of the parties reserved for future adjudication.

4. In holding that the decisions cited by it held that parties to an interference had no right to raise questions on motion to dissolve which were not ancillary to priority.

5. In holding that the Commissioner of Patents, after having decided that petitioners had a right to be heard on the question of whether Bender had forfeited his right to a reissue, had the right to restrict petitioners to such evidence in support of their contention as was already of record in the Patent Office.

6. In holding that, although the public interest might well be served by the admission of testimony in support of petitioners' contention, it nevertheless should refuse to interfere with the action of the Commissioner in excluding such testimony.

7. In holding that in the cases cited on behalf of petitioners, the motions to dissolve were on grounds held to be ancillary to the question of priority.

V.

THE QUESTION INVOLVED.

The question involved is:

Where an interference is pending in the Patent Office and one of the parties to the interference, pursuant to regulations of the Patent Office, has filed a motion to dissolve the interference upon grounds not a matter of record in the Patent Office, and the Commissioner of Patents has held that the motion to dissolve the interference will lie, may the Commissioner refuse to permit the parties so moving to introduce evidence not appearing of record, by means of interrogatories or depositions?

VI.

SUMMARY OF THE ARGUMENT.

The refusal of the Commissioner of Patents to permit petitioners to introduce evidence in support of their motion for dissolution, after the Commissioner of Patents had held it presented proper questions to be determined in the interference, is contrary to law because (a) it is based on an incorrect interpretation of the statute and regulation and (b) it is a denial of due process of law.

VII.

ARGUMENT.

An interference is a proceeding instituted under the provisions of R. S. 4904, 35 U. S. C. 52, for the purpose of determining the question of priority of invention between two or more parties claiming substantially the same patentable invention.

The Commissioner of Patents, under R. S. 481, 483, 35 U. S. C. 6, has established Rule 122, Rules of Practice in the United States Patent Office, the material portions of which are as follows:

"122. Motions to dissolve an interference * * * (2) denying the patentability of an applicant's claim, or (3) denying his right to make the claim, * * * should contain a full statement of the grounds relied upon * * *. Such motions and all motions of a similar character, if in the opinion of the examiner of interferences they be in proper form, will be heard and determined by the primary examiner, due notice of the day of hearing being given by the office to all parties. * * *".

It is thus apparent that a motion to dissolve an interference and a hearing thereon, is a recognized and authorized mode of procedure in the Patent Office, and among the grounds upon which such a motion may be based is the denial of the patentability of an applicant's claims and the right of an applicant to make the claims. The purpose of Rule 122, is to test the propriety of the declaration of the interference. If the issue involved in the interference is unpatentable, or one of the parties has no right to make the claim, or the claim is unpatentable to one of the parties, or if the issue is not supported by a party's case, these and similar questions go to the propriety of the declaration of the interference and lie at the threshold thereof. Rule 95 provides that before an interference is declared it must be determined by the Patent Office that there is common patentable subject matter in the case of the respective parties. Rule 122 provides for a determination of these questions prior to any further proceedings in the interference.

Two distinct types of questions arise on motion for dissolution of an interference. They are distinguished by whether they are or are not ancillary to priority. The term "ancillary" is used in such cases in the sense of "subordinate" or "auxiliary" to the question of priority.

(a) If ancillary to priority they will be considered at all later stages of the interference including court proceedings reviewing the question of priority.

Podlesak v. *McInnerney*, 26 App. D. C. 399.

Such questions as are ancillary include sufficiency of disclosure to make the claim, and operativeness of the disclosed invention.

(b) If not ancillary to priority they will be considered on motion for dissolution but will not be considered at any later stage of the interference, or in any court proceedings reviewing the question of priority.

Ellis v. *Maddox,* 96 F. (2d) 308;
Ackerman v. *Light,* 96 F. (2d) 304;
Norling v. *Hayes,* 37 App. D. C. 160;
Earles v. *Gomber,* 50 App. D. C. 389, 273 F. 353;
Bechtold v. *Lanser,* 82 F. 415.

Such non-ancillary questions include inadvertence, accident and mistake in support of reissue and many other statutory bars to a reissue patent.

In the interference proceeding in the Patent Office, petitioners moved to dissolve the interference with respect to the Bender reissue application upon the ground that there was no inadvertence, accident or mistake to support the application for reissue of the Bender patent, as required by R. S. 4916, 35 U. S. C. 64, *infra,* p. 21. Such matters have repeatedly been held to bar any valid reissue.

Union Switch & Signal Co. v. *Louisville Signal Co.,* 73 F. (2d) 550, 551, (C. C. A. 6);
Application of White, 57 App. D. C. 355, 23 F. (2d) 776.

If Bender has no properly filed reissue application, he has no right to contest priority in this interference, and this question must be considered at the very beginning of the interference. As said by the Court of Appeals of the District of Columbia in *Oliver* v. *Felbel,* 20 App. D. C. 255, 259:

> "We understand the rules and the practice of the Patent Office to be in accordance with this requirement of law and right reason; and that no interference is ever declared between parties until there has been an adjudication of patentability. The absurdity of a

> declaration of interference, with a reservation at the same time of the question of patentability for future adjudication, would be, so far at least as this court is concerned, too glaring to be tolerated."

That these questions may be specifically considered and determined on motion for dissolution has long been settled. In the case of *Latta and Thompson* v. *Murphy,* 1915 C. D. 7, 8, the Commissioner said:

> "In order to be entitled to a reissue, the applicant must show that the failure to make the claims arose through inadvertence, accident, or mistake, and if there was delay in filing the application he must give a satisfactory explanation thereof. If the oath in this case is not sufficient, the reissue application should not have been held allowable by the Examiner, and the reissue applicants have no right to contest the interference."

The question raised by petitioners' motion to dissolve, which they seek to sustain by testimony, is not Bender's right to a patent, but Bender's qualification as an opponent to contest with them the issue of priority. The fact that the reasons which show that Bender is not a properly qualified opponent may also be grounds for denying him a patent in later proceedings, is no reason for respondent's refusal to consider them at the present stage.

In the case at bar, the respondent held that petitioners were entitled to a hearing on the grounds raised in the motion to dissolve, saying in that connection, in his order of June 30, 1940 (R. 32):

> "The motion to dissolve alleges that the counts are unpatentable in Bender's reissue application because the failure to include them in his patent was not due to inadvertence, accident or mistake, and because an election not to prosecute the counts in the Bender application has been made. These contentions, if they can be established from the record, afford proper grounds for dissolution and, in view of the authorities cited by the petitioner, this motion should have been set for hearing."

Thus the respondent has determined that there should be a hearing on the issues of inadvertence, accident or mistake in the Bender reissue application and of the election not to prosecute, and has ordered a hearing on those questions.

But in refusing petitioners the right to introduce evidence in support of that motion for dissolution, he is acting arbitrarily and is denying to petitioners due process of law.

The motion to dismiss admits that the questions raised on petitioners' motion for dissolution are questions of fact and require the production of evidence not of record in the United States Patent Office (R. 34), and that the record to which respondent restricts the consideration, contains none of the evidence on which petitioners must rely to establish the facts in support of their motion for dissolution; that petitioners have never had an opportunity to present such evidence (R. 35); that no evidence on the question of inadvertence, accident or mistake, or fraud, will be considered by respondent after there has been a decision of those questions on the pending motion for dissolution; and that petitioners' sole opportunity to have any evidence considered on these questions is by placing such evidence of record before there is any determination of the motion for dissolution (R. 35).

Thus, the respondent accepts the *ex parte* affidavit filed on behalf of Bender in support of his reissue application as conclusive; and denies petitioners opportunity to present evidence in the form of affidavits, depositions or otherwise, to contradict it.

This is clearly discrimination against petitioners. As stated in *Baltimore and Ohio Railroad Co. v. United States,* 298 U. S. 349 368:

> "The due process assures a full hearing before the court or other tribunal empowered to perform the judicial function involved. That includes the right to introduce evidence and have judicial findings based upon it."

Again in *Baltimore and Ohio Railroad Company* v. *United States,* 264 U. S. 258, 265:

> "* * * The provision for a hearing implies both the privilege of introducing evidence and the duty of deciding in accordance with it. To refuse to consider evidence introduced, or to make an essential finding without supporting evidence, is arbitrary action."

Again in *Interstate Commerce Com.* v. *L. & N. R. Co.,* 227 U. S. 88, 93:

> "* * * manifestly there is no hearing when the party does not know what evidence is offered or considered, and is not given an opportunity to test, explain or refute."

Mandamus will lie to compel a court to grant a hearing or to hear evidence. In *McCullough* v. *Cosgrave,* 309 U. S. 634, 3 Fed. Rules Serv. 496, which was a patent-infringement case, the District Court had assigned the case to a Master for trial, upon the ground that the Judge was unable to try the case because of his physical condition, that the issues were complicated, the calendar congested, and no other Judge was available to try the case within a reasonable time. Application was made to this Court for leave to file a petition for mandamus to compel the Judge to hear the case. This Court directed the District Judge to vacate the order of reference and to try the case in the regular way. Thus this Court saw fit to control by mandamus the question of whether a case should or should not be referred to a Master under F. R. C. P. 53(b).

Questions of inadvertence, accident or mistake, which are not ancillary to priority, will not be considered in any court proceeding under R. S. 4911, 35 U. S. C. 59a to review a decision on priority. In each of the following cases, after decision on priority, a statutory bar was urged against the reissue applicant, but was refused consideration by the Court:

Ellis v. *Maddox,* 96 F. (2d) 308;
Ackerman v. *Light,* 96 F. (2d) 304;
Daley v. *Trube,* 88 F. (2d) 308.

These decisions establish conclusively, and we know of no decisions contrary thereto, that after there has been a decision in the Patent Office on motion for dissolution, questions not ancillary to priority, in a reissue application, will not be considered. They will be considered in the Patent Office on motion for dissolution only. Therefore unless petitioners are given the right to introduce evidence in support of their motion for dissolution, which raises questions which are not ancillary to priority and may be considered only on motion for dissolution, they cannot raise those questions at a later time.

The fact that respondent will not consider those questions at any later time in the interference, is sufficient ground for the relief sought in the present proceedings.

Even in a proceeding under R.S. 4915, 35 U. S. C. 63, instituted upon an adverse decision on priority, the court will not consider any question except priority, *Ewing* v. *United States ex rel. Fowler Car Co.,* 244 U. S. 1, 11, and such matters as would bar a patent to the plaintiff in such action, *Radtke Patents Corporation* v. *Coe,* 122 F. (2d) 937. In such an action, where the right of the defendant is based on a reissue application, the court will not consider any question which goes to the right of the defendant to a reissue, such as inadvertence, accident or mistake, because in such case the right of the defendant to a patent is not involved.

Respondent should not be permitted successfully to defend his position by contentions of expediency. The evidence which plaintiffs seek to introduce is not extensive and will not result in any delay. The questions raised are simple. In any event, contentions of expediency can in no case justify a denial of due process. As stated by this Court in *Ohio Bell Telephone Co.* v. *Public Utilities Commission,* 301 U. S. 292, 305:

> "There can be no compromise on the footing of convenience or expediency, or because of a natural desire to be rid of harrassing delay, when this minimal requirement [due process] has been neglected or ignored."

As the Commissioner of Patents said in *Kinsman* v. *Strohm*, 1906 C. D. 481, 483:

> "The question of delay is the only serious one presented by this appeal, and in view of all the circumstances it is believed that this question should be resolved to permit the evidence to be produced. If the truth in this matter is hurtful to Strohm, it should not be suppressed. In such event he is in no position to urge that it should not be used against him. If it is not hurtful to his case, he can only be injured by the delay and expense incident to taking additional testimony. The record of Strohm's application offsets any objection he might urge on the ground of delay. As the proposed testimony is limited to a single restricted subject of inquiry, the expenses in connection therewith will probably be comparatively small. However that may be, the objection of expense alone is not sufficient to offset the reasons for admitting the proposed testimony notwithstanding the delay which occurred."

The Court of Appeals misconceived the issues in the case when it said in the course of its opinion (R. 41) that respondent held that "it is of no concern to appellants [petitioners] whether Bender in his original application deliberately cancelled his claims and thereby forfeited his rights, for that is a question the [Patent] Office will deal with in its own good time, and the decision of which will neither help nor hurt appellants." The respondent has not held that the question of Bender's right to a reissue is of no concern to petitioners. On the contrary he has expressly held that it is a matter of concern to petitioners, and has set down for hearing their motion to dissolve the interference on that ground. The grievance of which petitioners complain is not that the respondent has refused to let them

be heard on Bender's right to a reissue, but that, having decided that they have a right to be heard, he has so circumscribed the hearing by restricting it to matters of record, as to amount to a denial in fact of a right to which he has held them to be entitled. Indeed, the Court of Appeals quite properly held that from many points of view public interest might well be served if the Patent Office admitted testimony in an interference proceeding as to the bad faith of the applicant for reissue (R. 41), but apparently considered itself powerless to bring about that result.

It is also respectfully submitted that the Court of Appeals fell into error when it cited *Ellis* v. *Maddox,* 96 F. (2d) 208 and other cases, in support of the statement that a party to an interference has not the right, on motion to dissolve, to be heard on the question of the right of another party to make a claim (R. 41). These will be found, upon examination, to have been cases in which questions not ancillary to priority (a) were in fact considered in the Patent Office on motion to dissolve the interference, but (b) it was held that such questions could not properly be considered on appeal from a decision on priority. The cases thus sustain petitioners' contention that if they are not permitted in the Patent Office to adduce evidence in support of their contention that Bender is not entitled to a reissue, they will not ever have an opportunity of doing so.

Motions for dissolution of interferences under Rule 122 are frequently based on affidavits or testimony both on matters ancillary to priority, as well as matters not ancillary to priority.

Thus in many situations where operativeness of an opponent's device is attacked on motion for dissolution, affidavits are submitted in support thereof. *Barney* v. *Hess,* 1910 C. D. 162; *Lowry and Cowley* v. *Spoon,* 1906 C. D. 224.

In *Gehring* v. *Barry et al.,* 1916 C. D. 16, the Commissioner of Patents held that it was proper on motion for dissolution for a party to make such motion accompanied by a showing of facts for leave to take testimony to establish abandonment of the invention.

In *Roller* v. *Goodwin,* 282 O. G. 387, 1921 C. D. 11, on a motion to dissolve on the ground of non-patentability of the issue in view of a foreign patent, it was held that affidavits to show inoperativeness of the device disclosed therein are competent.

Petitioners are not seeking to compel respondent to order a hearing on their motion to dissolve the interference; such hearing has already been ordered. The question is: where a hearing has been ordered on a motion to dissolve an interference, is the Commissioner required to permit the introduction of all relevant evidence, or may he arbitrarily confine the evidence to matters already of record in the Patent Office,—a record which was made up before the questions were raised on the motion for dissolution?

The refusal of respondent to permit petitioners to offer evidence in support of their motion for dissolution is arbitrary. Respondent's action accepts an *ex parte* affidavit of an opponent as conclusive on a question of fact and denies petitioners the right to submit relevant and material evidence to contradict that *ex parte* affidavit. No consideration of expediency can justify a denial of due process. The practice is manifestly unfair and a violation of the fundamental rights that should be accorded petitioners.

VIII.

CONCLUSION.

It is, therefore, respectfully submitted that this case is one calling for the exercise by this Court of its supervisory powers in order that the decision of the United States Court of Appeals for the District of Columbia be reversed and that to such an end a writ of certiorari should be granted and this Court should review the decision of the United States Court of Appeals for the District of Columbia and finally reverse it.

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